

WALL STREET
JOURNAL

MAY 15 1964

AEC Agrees to Provide Up to \$12.7 Million Aid For Advanced Reactor

It Will Finance Research on Plant Slated for Arkansas by Utility Groups, Give Some Materials

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The Atomic Energy Commission contracted to provide up to \$12.7 million in assistance to Southwest Atomic Energy Associates, a group of 17 private power utilities, for research and development on an advanced nuclear reactor.

The utility group, General Electric Co. and two West European organizations plan to finance the design and construction of a \$12.4 million "fast-breeder" reactor, to be built near Fayetteville, Ark. A fast-breeder atomic reactor, while producing heat and electricity, manufactures or breeds more fissionable nuclear fuel than it consumes.

The AEC funds would be used for research and development on the project both before and after its construction. The AEC said it will also provide some materials and experimental facilities at the Government's national reactor testing station for use with the project.

Construction of the reactor is expected to require about three years, with the plant to be designed by General Electric. Of the capital cost, the utility group will provide \$5.9 million; Gesellschaft fur Kernforschung, a nonprofit West German corporation, will provide \$5 million, part of it obtained from Euratom, the West European atomic development organization, and GE will provide the remainder. GE also will be prime contractor to the utility group for operating the facility and conducting research.

The AEC said the technology developed in the program will be made available to all nuclear reactor makers and other concerns in the atomic industry.

The members of the utility group are: Arkansas-Missouri Power Co., Arkansas Power & Light Co., Central Louisiana Electric Co., Central Kansas Power Co., Empire District Electric Co., Gulf States Utilities Co., Kansas Gas & Electric Co., Louisiana Power & Light Co., Mississippi Power & Light Co., Missouri Public Service Co., Missouri Utilities Co., New Orleans Public Service, Inc., Oklahoma Gas & Electric Co., Public Service Co. of Oklahoma, Southwestern Electric Power Co., Kansas Power & Light Co. and Western Light & Telephone Co.